



Form North Dakota Office of State Tax Commissioner

60 S corporation income tax return**2006**

A This return is filed for: <input type="checkbox"/> Calendar year 2006 (Jan. 1 - Dec. 31, 2006) <input type="checkbox"/> Fiscal year: Beginning _____, 2006, and ending _____, 20____		
B Corporation's name (legal) _____ Doing business as name (if different from legal name) _____ Mailing address _____ City _____ State _____ Zip Code _____		C Federal EIN * - D Business code no. (from Form 1120S) ▶ E Date incorporated / /
G TOTAL number of shareholders ----- ▶ Enter number of — Resident individual shareholders ----- ▶ Trust/estate shareholders ----- ▶ Nonresident individual shareholders ----- ▶ Tax-exempt organization shareholders ----- ▶ 		F Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Farming/ranching corporation <input type="checkbox"/> Amended return <input type="checkbox"/> Composite return <input type="checkbox"/> Extension
H Does this return include a qualified subchapter S subsidiary (QSSS)? ----- <input type="checkbox"/> Yes <input type="checkbox"/> No		

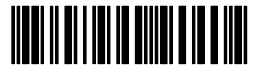
- Before completing lines 1 through 9 on this page, complete Schedule FACT, Schedule K, and Schedule KS.
- After completing Form 60, complete North Dakota Schedule K-1 (Form 60) for the shareholders.

1 Tax on excess net passive income and built-in gains, if any (from page 2, Schedule BG, line 8) -----	▶	1 _____
2 Income tax withheld from nonresident individual shareholders (from page 4, Schedule KS, line 3) -----	▶	2 _____
3 Composite income tax for electing nonresident individual shareholders (from page 4, Schedule KS, line 4) -----	▶	3 _____
4 Total taxes due. Add lines 1, 2, and 3 -----		4 _____
5 Estimated tax payments (using 2006 Form 60-EXT) -----	▶	5 _____
6 Tax due. If line 4 is more than line 5, subtract line 5 from line 4; otherwise, go to line 7. If result is less than \$5.00, enter -0- ----- ▶ 6 _____		
7 Overpayment. If line 5 is more than line 4, subtract line 4 from line 5. If result is less than \$5.00, enter -0- ----- ▶ 7 _____		
8 Amount of line 7 to be credited to 2007 estimated tax -----	▶	8 _____
9 Refund. Subtract line 8 from line 7. If result is less than \$5.00, enter -0- -----	▶	9 _____

- Attach a complete copy of the 2006 Form 1120S (including Federal Schedule K-1s)
- Attach a copy of all North Dakota Schedule K-1s (Form 60)

I declare that this return is correct and complete to the best of my knowledge and belief.			* Privacy Act - See inside front cover of booklet	
Signature of officer		Date		<input type="checkbox"/> I authorize the ND Office of State Tax Commissioner to discuss this return with the preparer identified below. For Tax Department Use Only
Print name of officer		Phone		
Paid preparer signature		Date		
Print name of paid preparer	EIN/SSN/PTIN	Phone		

Mail to: Office of State Tax Commissioner, 600 E. Blvd. Ave., Dept. 127,
Bismarck, ND 58505-0599



Schedule FACT Calculation of North Dakota apportionment factor

IMPORTANT: All corporations must complete the applicable portions of this schedule as follows:

- **100% ND corporation:** If the corporation conducts all of its business within North Dakota, skip lines 1 through 13, and enter 1.000000 on line 14.
- **Multistate corporation:** If the corporation conducts its business within and without North Dakota, complete lines 1 through 14 of this schedule. However, if all shareholders consist of only North Dakota resident individuals, estates, and trusts, skip lines 1 through 13, enter 1.000000 on line 14, and check this box ☐

Property factor

Average value at original cost of real and tangible personal property used in the business.

Column 1
Total

Column 2
North Dakota

Column 3
Factor
(Col. 2 ÷ Col. 1)

Result must be
carried to six
decimal places

1 Inventories -----	1 _____	_____	
2 Buildings and other fixed depreciable assets -----	2 _____	_____	
3 Depletable assets -----	3 _____	_____	
4 Land -----	4 _____	_____	
5 Other assets (Attach schedule) -----	5 _____	_____	
6 Rented property (Annual rental multiplied by 8) -----	6 _____	_____	
7 Total property (Add lines 1 through 6) ----- ▶	7 _____ ▶	_____ ▶	_____

Payroll factor

- 8 Wages, salaries, commissions and other compensation of employees reported on Federal Form 1120S (If the amount in Column 2 does not agree with the compensation reported for North Dakota unemployment insurance purposes, attach an explanation) ----- ▶

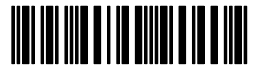
8 _____ ▶ _____ ▶ _____

Sales factor

9 Gross receipts or sales, less returns and allowances (from Federal Form 1120S, page 1, line 1c) -----	9 _____		
10 Sales delivered or shipped to North Dakota destinations -----	10 _____		
11 a Sales shipped from North Dakota to the U.S. Government -----	11a _____		
b Sales shipped from North Dakota to purchasers in a state or foreign country where the corporation does not have a filing requirement -----	11b _____		
12 Total sales. Add lines 9 through 11b ----- ▶	12 _____ ▶	_____ ▶	_____
13 Sum of factors. Add lines 7, 8, and 12 in Column 3 -----	13 _____		
14 Apportionment factor Divide line 13 by 3.0; however, if line 7, 8, or 12 of Column 1 is zero, divide line 13 by the number of factors (on lines 7, 8, and 12) showing an amount greater than zero in Column 1 ----- ▶	14 _____ ▶	_____ ▶	_____

Schedule BG Tax on excess passive income and built-in gains

1 Excess net passive income subject to federal tax on Federal Form 1120S ----- ▶	1 _____
2 Built-in gains subject to federal tax on Federal Form 1120S, Schedule D ----- ▶	2 _____
3 Add lines 1 and 2 -----	3 _____
4 Apportionment factor from Schedule FACT, line 14 ----- ▶	4 _____
5 North Dakota apportioned income. Multiply line 3 by line 4 -----	5 _____
6 North Dakota NOL deduction from worksheet in instructions (Attach worksheet) ----- ▶	6 _____
7 North Dakota taxable income. Subtract line 6 from line 5 ----- ▶	7 _____
8 Tax from 2006 Corporation Tax Rate Schedule in instructions. Enter on Form 60, page 1, line 1 ----- ▶	8 _____



Schedule K **Total North Dakota adjustments, credits, and other items**
distributable to shareholders
All corporations must complete this schedule

North Dakota addition adjustments

- 1** Federally-exempt income from non-North Dakota state and local bonds and foreign securities **1** _____
- 2** State and local income taxes deducted on federal corporation return in calculating its ordinary income (loss) **2** _____

North Dakota subtraction adjustments

- 3** Interest from U.S. obligations **3** _____
- 4** Renaissance zone business or investment income exemption **4** _____
- 5** New or expanding business income exemption **5** _____
- 6** Beginning farmer deductions:
- a** Gain from sale of land to a qualified beginning farmer **6a** _____
- b** Interest income from contract for sale of land to a qualified beginning farmer **6b** _____
- c** Rental income (less related expenses) from lease of land to a qualified beginning farmer **6c** _____
- 7** Beginning entrepreneur deductions:
- a** Gain from sale of a business to a qualified beginning entrepreneur **7a** _____
- b** Interest income from contract for sale of a business to a qualified beginning entrepreneur **7b** _____
- c** Rental income (less related expenses) from lease of a business to a qualified beginning entrepreneur **7c** _____
- 8** Gain from eminent domain sale **8** _____

North Dakota tax credits

- 9** Renaissance zone: Historic property preservation or renovation tax credit **9** _____
- 10** Renaissance zone: Renaissance fund organization investment tax credit **10** _____
- 11** Seed capital investment tax credit **11** _____
- 12** Agricultural commodity processing facility investment tax credit **12** _____
- 13** Supplier (wholesaler) biodiesel fuel tax credit **13** _____
- 14** Seller (retailer) biodiesel fuel tax credit **14** _____
- 15** Geothermal, solar, or wind energy device tax credit **15** _____
- 16** Certified North Dakota nonprofit development corporation tax credit **16** _____

Other items

Line 17 applies only to a multistate corporation— see instructions

- 17 a** Total allocable income from all sources (net of related expenses) **17a** _____
- b** Portion of line 17a that is allocable to North Dakota **17b** _____

Line 18 applies to all corporations— see instructions

- 18** For disposition(s) of I.R.C. Section 179 property, enter the North Dakota apportioned amounts— see instructions:
- a** Gross sales price or amount realized **18a** _____
- b** Cost or other basis plus expense of sale **18b** _____
- c** Depreciation allowed or allowable (excluding I.R.C. Section 179 deduction) **18c** _____
- d** I.R.C. Section 179 deduction related to property that was passed through to shareholders **18d** _____



Schedule KS Shareholder information

All corporations must complete this schedule

- Complete Columns A through E for EVERY shareholder
- Complete Column F if shareholder is a nonresident individual, estate, or trust
- If applicable, complete Column G or Column H for a nonresident individual only

All Shareholders					Nonresident shareholders only			
					Individual, estate, or trust	Individual only		
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	
Name and address of shareholder Name Address City / State / Zip Code If additional lines are needed, attach a separate schedule	Social Security Number or FEIN	Type of entity	Ownership %	Federal distributive share of income (loss)	North Dakota distributive share of income (loss)	North Dakota income tax withheld (5.54%)	North Dakota composite income tax (5.54%)	
1 Total Federal distributive shares of income (loss). Add amounts in Column E					1			
2 Total ND distributive shares of income (loss) for nonresident individual, estate, and trust shareholders. Add amounts in Column F					2			
3 Total income tax withheld from nonresident individual shareholders. Add amounts in Column G. Enter this amount on page 1, line 2					3			
4 Total composite income tax for electing nonresident individual shareholders. Add amounts in Column H. Enter this amount on page 1, line 3					4			